

REMARKS

Applicant added new claims 113-116 to recite additional features pertaining to normalizing the values and ranking of the assets. Support for the newly added claimed feature is provided, for example, at pages 37-40 of the originally filed application.

The examiner rejected claims 78-86 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,275,814 to Giansante in view of U.S. Patent No. 5,126,936 to Champion *et al.*

For the reasons that follow, applicant contends that, contrary to the examiner's contentions, none of at least the features "means for receiving a relative weight of importance for said two or more criteria based on the user's personal investment preferences," "means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria" or "means for ranking plurality of said assets based on said rating," recited in independent claim 78 are disclosed or suggested by the cited art relied upon by the examiner.

Specifically, the examiner argues that Giansante allegedly discloses at column 6, lines 36+ the features of "means for determining a normalized value for each of said two or more criteria; means for receiving a relative weight of importance for said two or more criteria based on the user's personal investment preferences." The examiner also argues that the feature "means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria" is allegedly disclosed in Giansante's col. 6, lines 36+.

Applicant respectfully disagrees.

Applicant's independent claim 78 recites "[a]n investment guidance system for providing financial planning assistance, comprising: ... means for providing two or more criteria associated with said assets for said user to evaluate; means for determining a normalized value for each of said two or more criteria; means for receiving a relative weight of importance for said two or more criteria based on the user's personal investment preferences; means for determining a rating for each asset based on the

normalized values and the relative weights assigned to said two or more criteria ...” Applicant’s claimed system determines a normalized value for each of the criteria (e.g., financial statistics) associated with an asset, and determines a rating for each asset that is based on the determined normalized values and relative weights assigned to the assets’ criteria. A user can thus control the relative importance of criteria associated with an asset (e.g., the asset’s risk, the asset’s R-square value, the asset’s tax efficiency, etc.) to facilitate rating of assets.

Contrary to the examiner’s contentions, none of the cited references discloses or suggests at least the features of “means for receiving a relative weight of importance for said two or more criteria based on the user’s personal investment preferences” or “means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria,” as required by applicant’s claim 78.

Particularly, Giansante describes financial modeling techniques and an automated system for interacting with a user for computing and supplying asset recommendations to the user (Giansante, col. 1, lines 6-10). Giansante explains that in its system and methodology conventional portfolio computations are modified to take into accounts assets exhibiting a statistical variation in the value of the expected investment return. Giansante also explains that multiple portfolios lying in an efficient zone are constructed and considered and that the portfolio/assets are selected by creating a set of weighted average portfolio:

As set forth above the classic computation of the efficient frontier treats the expected return of each of the assets as a constant. In the present invention conventional portfolio computations are modified to permit the consideration of assets exhibiting a statistical variation in the value of the expected investment return. This permits the consideration and construction of multiple portfolios which lie in an efficient "zone" rather than on a precise efficient frontier. The methodology further refines the selection by averaging the set of zone portfolios to create a set of weighted average portfolios. The set of average portfolios is a benchmark that may be further modified in the methodology. For example the portfolio can be adjusted to ensure that a final recommended portfolio matches certain preset criteria which is illustratively set forth as the industry sector diversification of the market itself. (Giansante, col. 2, lines 28-44)

Additionally, claim 2 of the Giansante patent (on which the examiner relied) recites:

2. The process of claim 1 further comprising the step:
k) adjusting the weights of the assets in each efficient portfolio to optimize the level of industry sector and investment style diversification in the portfolio, so as to maintain the portfolio at a position on or near the efficient frontier and at the desired risk level. (Giansante, col. 6, lines 36-44)

Thus, Giansante weighting is performed on assets or on a portfolio. Giansante, however, does not describe that the criteria (e.g., statistical measures associated with an asset) are weighted or averaged in any way. Accordingly, Giansante fails to disclose or suggest at least the features of “means for receiving a relative weight of importance for said two or more criteria based on the user’s personal investment preferences,” as required by applicant’s independent claim 1. Furthermore, Giansante does not describe at any point that any type of rating value is determined for each asset (which can then be compared to other assets’ derived rating values) based on the assets’ weighted criteria. Accordingly, Giansante also fails to disclose or suggest at least the features of “means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria,” as required by applicant’s independent claim 78.

Champion describes a programmed controlled financial asset management system for implementing investor participation in capital markets through long and short positions in indexed investment vehicles (Champion, col. 1, lines 8-12). Champion indicates that investors can specify asset category weighing:

System operation is governed by the CPU (central processing unit) which receives the inputted data from the participating investors, in terms of deposits or withdrawals and changes to asset category weighting and respective MM. The CPU then performs an iterative calculation determining a required asset mix position for each account in response to the recently entered data for the operative period. The CPU aggregates the individual required trading positions for each account in each asset to determine a net trade in that asset group in response to all participants’ requests and thereafter provides a recommended buy/sell order for execution in the marketplace. To the extent that the net of deposits and withdrawals and changes in asset weightings and MMs results in no new buying or selling being required by the system proprietor, significant transaction expenses are saved, which enable lower fees to be charged to participants. (Emphasis added, Champion, col. 5, lines 40-57)

Thus, while Champion's system presumably uses or performs asset weighting, Champion's system, however, does not perform or use weighting of criteria associated with assets. Much less does Champion's system determine a rating value, associated with an asset, that is based on the assets weighted criteria. Accordingly, Champion too fails to disclose or suggest at least the features of "means for receiving a relative weight of importance for said two or more criteria based on the user's personal investment preferences," or "means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria," as required by applicant's independent claim 1.

Because neither Giansante nor Champion discloses or suggests, alone or in combination at least the features "means for receiving a relative weight of importance for said two or more criteria based on the user's personal investment preferences," or "means for determining a rating for each asset based on the normalized values and the relative weights assigned to said two or more criteria," applicant's independent claim 78 and the claims depending from it are patentable over the cited art.

The examiner also argued that Giansante disclosed at column 6, lines 36+, the features of "means for ranking plurality of said assets based on said rating."

Applicant respectfully disagrees.

Claim 78 recites "[a]n investment guidance system for providing financial planning assistance, comprising: ... means for ranking plurality of said assets based on said rating". Thus, the ratings determined for each asset based on the normalized values for the criteria associated with each of the assets and the relative weights of the criteria are used to rank the assets. In some embodiments, the user makes investment decisions (e.g., buy, sell) based on the ranking of assets:

In order to rate each mutual fund in the universe, the assigned weights are (a) multiplied by the mutual funds normalized criteria score and (b) added to each other. Therefore, the final score or rating for each mutual fund is the aggregate sum of each of the normalized mutual fund criteria scores multiplied by the respective weights. When the "rank funds" button 630 is clicked, the funds are ranked according to the final fund score, which simultaneously takes into account all of the user's preferences. The user

then decides which funds to buy and sell in order to fulfill the target asset allocation plan. (Application, page 39, lines 3-9)

In contrast, none of the cited references discloses or suggests at least the features of “means for ranking plurality of said assets based on said rating,” as required by applicant’s independent claim 78.

Specifically, Giansante describes that in determining a portfolio recommendation, a user is initially interviewed to enable selection of an appropriate risk level to be used in the process, and determine the assets that are to be included in a portfolio. With respect to the assets that are to be included in an investor’s portfolio, Giansante notes that all funds and other assets are treated according to a uniform methodology to rank the funds with respect to investment style, diversification, beta and P/E:

The preferred approach is set forth in the flow chart of FIG. 7 which starts with a client interview at block 50. The client interview asks questions which permit the appropriate selection of a risk bin for the client at an appropriate position along the risk axis. The client interview also determines which assets are available to the user for inclusion into portfolios. From the perspective of the invention it is important to note that all the funds or other assets are treated according to a uniform methodology to rank the funds with respect to investment style, diversification, beta, and P/E. (Giansante, col. 5, lines 9-19)

But nowhere does Giansante describe that assets are ranked based on any type of rating (indeed, Giansante does not even mention any asset rating), and Giansante certainly does not describe ranking assets based on ratings determined for each asset based on the normalized values for the criteria associated with each of the assets and the relative weights of the criteria. Accordingly, contrary to the examiner’s contentions, Giansante fails to disclose or suggest at least the features of “means for ranking plurality of said assets based on said rating,” as required by applicant’s independent claim 78.

Champion does not disclose any asset rating, nor does Champion disclose any type of ranking performed with respect to assets. Champion, therefore, also fails to disclose or suggest at least the features of “means for ranking plurality of said assets based on said rating,” as required by applicant’s independent claim 78.

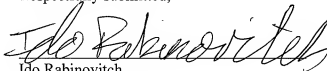
Because neither Giansante nor Champion discloses or suggests, alone or in combination, at least the features of "means for ranking plurality of said assets based on said rating," for this reason too, applicant's independent claim 78 and the claims depending from it are patentable over the cited art.

It is believed that all of the pending claims have been addressed in this paper. However, failure to address a specific rejection, issue or comment, does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above are not intended to be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

If a telephone conversation with Applicant's representative would help expedite the prosecution of this application, the Examiner is invited to call the undersigned attorney at (617) 348-1806.

Please apply any charges not covered, or any credits, to Deposit Account 50-0311, Reference No. 29240-001.

Respectfully submitted,



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